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FOR IMMEDIATE RELEASE

Ex-Red Mesa School Officials Get Prison Sentences for Fraud

(Phoenix, Ariz. – March 4, 2008) Attorney General Terry Goddard announced that two former Red Mesa School District officials were sentenced today to prison after pleading guilty to fraud and theft charges in January.

William Bean, 52, former Red Mesa Unified School District Superintendent, was sentenced to one and a half years in prison and seven years of supervised probation to begin upon his release from prison. He was also ordered to pay \$279,368 in restitution.

Stewart Waite, 35, former Red Mesa Unified School District Business Manager, was sentenced to five years in prison. He was ordered to pay \$384,550 in restitution.

A third official, Sadie Tso, 53, former Red Mesa School Governing Board President, is scheduled to be sentenced on April 7.

Bean, Waite, and Tso were indicted in April 2007. The indictment charged that Waite and Bean obtained district credit cards that they both used for cash advances and retail purchases for their personal benefit. Waite used his district-issued credit card for purchases and cash advances totaling more than \$260,000. Bean used his card for purchases and cash advances totaling more than \$83,000.

After receiving the credit card statements from Wells Fargo, Waite and Bean represented to school district officials that the purchases were authorized and had the Red Mesa Unified School District pay the bills. In addition, Waite and Bean fraudulently altered their employment contracts to make it appear that use of the credit cards was authorized.

Waite and Bean resigned from the Red Mesa School District in July 2006. Tso illegally approved settlement payouts to Waite and Bean after they resigned. These payouts included \$110,377 in compensation and benefits to Waite and \$194,063 in compensation and benefits to Bean. As a result of their pleas, both Waite and Bean will be required to return these settlement payouts to the district.

The investigation and prosecution of this case was a joint effort by the Arizona Auditor General's Office and the Attorney General's Office. Assistant Attorney General Paul Ahler prosecuted this case.

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